Policy Title:	**NON-CURRENT ASSETS POLICY**
Policy Subject:	Finance
Policy No:	#837210
Directorate:	Organisational Services
Department:	Financial Services
Section:	
Responsible Officer:	Executive Manager – Financial Services
Authorised by:	Director Organisational Services
Adopted Date:	16 April 2008
Review Date:	24 September 2010
Amended Date:	

1. INTRODUCTION

This policy determines –

- The threshold values below which the value of non-current assets will be treated as an expense.
- The accepted methods of disposal for non-current assets that have a value less than the threshold amount.

2. POLICY

2.1 Threshold Values for Recognition of Non-Current Assets

Materiality threshold values are exclusive of Goods and Services Tax.

These thresholds refer to individual acquisitions and not to aggregated amounts except in the case of assets forming part of a network (such as computer equipment used as part of a network).

Where their value is less than the following materiality threshold amounts, non-current assets will not be recognised or recorded in the non-current asset register or the financial statements.

Acquisitions below these amounts will be disclosed in the notes to the financial statements and will be treated as an expense in the year in which it was incurred.

• Buildings, Other Structural Improvements and Parkland and Recreational Improvements	$10,000
• Plant and Equipment (incl. Playground Equipment, Artworks and Artefacts and Museum Displays)	$5,000
• Land	$1
• Intangibles	$10,000

2.2 Disposal of Non-Current Assets Valued at less than the Threshold Value

Section 176 of the *Local Government (Finance, Plans and Reporting) Regulation 2010* mentions requirements for disposal of valuable non-current assets.

Land must be disposed of by auction or after inviting tenders as per section 177.

Other non-current assets are to be sold by tender or auction when the apparent value is equal or greater than the amount set by the local government.

The Chief Executive Officer is delegated approval to dispose of surplus or obsolete non-current assets below the threshold level (defined in 2.1 above), by other means, including–

- Offered to staff in open tender process.
- Offered to local charities & local community groups.
- Sold at a recycling centre.

2.3 The Method of Valuation to be used for Non-current Physical Assets

As per Section 154 of the *Local Government (Finance, Plans and Reporting) Regulation 2010* the value of non-current physical assets must be worked out using the relevant accounting documents. Accordingly methods used will be consistent with Australian Accounting Standards.

RELATED LEGISLATION:

Local Government Act 2009
Local Government (Finance, Plans and Reporting) Regulation 2010

RELATED LOCAL LAW:

Nil

RELATED POLICIES:

Nil